

DISCLAIMER

This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center](#).

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, March 26, 2002

JOINT PETITION OF

CASE NO. PUA020006

MEDIAONE TELECOMMUNICATIONS CORP.

AT&T CORP.

and

AT&T BROADBAND PHONE, LLC

For approval of intra-corporate transfers of ownership and control of MediaOne Telecommunications of Virginia, Inc., under the Utility Transfers Act

ORDER GRANTING APPROVAL

On January 25, 2002, MediaOne Telecommunications Corp. (MediaOne Corp.”), AT&T Corp. (“AT&T”), and AT&T Broadband Phone, LLC (“AT&T Broadband”), filed a joint petition with the State Corporation Commission (“Commission”), pursuant to Chapter 5 of Title 56 of the Code of Virginia, the Utility Transfers Act, for approval of intra-corporate transfers of ownership and control of MediaOne Telecommunications of Virginia, Inc. (“MediaOne Virginia”). Collectively, MediaOne Corp., AT&T, and AT&T Broadband are referred to as the “Petitioners.”

MediaOne Virginia is a Virginia public service corporation located in Richmond, Virginia. MediaOne Virginia holds a certificate of public convenience and necessity (“CPCN”) and is a provider of local exchange and interexchange telecommunications services in Virginia. MediaOne Virginia serves approximately 28,000 local service customers using approximately

32,000 lines in the City of Richmond, the Town of Ashland, and in the counties of Henrico, Hanover, Goochland, and Louisa. MediaOne Virginia is a direct subsidiary of MediaOne Corp.

MediaOne Corp. is an indirect subsidiary of AT&T located in Massachusetts. MediaOne Corp. is a holding company that owns numerous subsidiaries that provide cable services to subscribers in various regions of the United States. Some of MediaOne Corp.'s subsidiaries also provide local exchange and interexchange telephone services. MediaOne Corp. owns all of the common stock of MediaOne Virginia.

AT&T, a New York corporation, is the ultimate parent corporation of MediaOne Corp., MediaOne Virginia, and AT&T Broadband. AT&T and its subsidiaries furnish domestic and international long distance, regional and local telecommunications services, and services in support of its communications businesses including billing, directory, and calling card services. In 2000, AT&T had total revenues of almost \$66 billion. It is one of the largest providers of long distance services in the United States.

AT&T Broadband, a Delaware limited liability company, was formed on September 24, 2001. AT&T Broadband serves as a holding company with more than 20 direct, wholly owned subsidiaries that provide cable telephony, local toll, long distance, and resale telecommunications services. AT&T Broadband is a direct, wholly owned subsidiary of AT&T.

The Petitioners seek approval of intra-corporate transfers of ownership and control of MediaOne Virginia. As a result of the transactions, MediaOne Virginia, currently a subsidiary in the MediaOne corporate hierarchy, will become a direct, wholly owned subsidiary of AT&T Broadband. The Petitioners will complete the transfer of ownership in two steps. In the first step, AT&T will purchase all of the outstanding shares of the common stock of MediaOne Virginia from MediaOne Corp. Petitioners state that a nominal sales price of \$2,000 was

selected for this transfer. In the second step, AT&T will transfer all of the outstanding shares of the common stock of MediaOne Virginia to AT&T Broadband as an equity contribution.

MediaOne Virginia also plans to change its name to AT&T Broadband Phone of Virginia, Inc.

Before and after the transfer, MediaOne Virginia will remain a subsidiary of AT&T, the ultimate parent corporation.

THE COMMISSION, upon consideration of the joint petition and representations of the Petitioners and having been advised by its Staff, is of the opinion and finds that the transaction, as described herein, involving the intra-corporate transfers of ownership and control of MediaOne Virginia, will neither impair nor jeopardize the provision of adequate service to the public at just and reasonable rates and should, therefore, be approved.

Accordingly, IT IS ORDERED THAT:

- 1) Pursuant to §§ 56-88.1 and 56-90 of the Code of Virginia, approval is hereby granted for the intra-corporate transfers of ownership and control of MediaOne Virginia, as described herein.
- 2) There appearing nothing further to be done in this matter, it is hereby dismissed.